

FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 8.21.2009

Wall Street Journal: "Firms Move to Scoop Up Own Debt ... A number of corporations are quietly buying back bonds on the cheap in the open market as the financial system works its way out of crisis mode."

Wall Street Journal: "'Cash for Clunkers' to End Monday ... The federal government said it would end cash-for-clunkers rebates at 8 p.m. Monday, after high consumer demand threatened to drain the new-car discount program weeks earlier than expected."

Wall Street Journal: "FDIC Is Set to Loosen Rules to Buy Failed Banks ... In an attempt to attract more buyers for failed banks, the Federal Deposit Insurance Corp. is expected next week to soften its proposed restrictions on private-equity firms buying collapsed lenders, according to people familiar with the matter."

Wall Street Journal: "Markets Hang on Fed, Housing ... Stock futures advanced ahead of a speech from Federal Reserve Chairman Ben Bernanke and data on the housing market."

Wall Street Journal: "In New Phase of Crisis, Securities Sink Banks ... U.S. banks have been dying at the fastest rate since 1992, mainly because of bad loans they made."

The Washington Post: "Commercial Credit Crunch Means We May Not Be Out of This Yet ... You've probably heard that the nation's financial system is out of the intensive care unit but still requires enough support that it's not ready to be released from the hospital."

The Washington Post: "Troubled Mortgages Hit Record High ... The proportion of homeowners delinquent on their mortgage or in foreclosure rose to its highest levels in at least four decades, according to industry data released Thursday, despite extensive government efforts to help borrowers and signs that the economy is starting to heal."

The Washington Post: "Master of the Economy ... The world's top economists and central bankers have gathered here in the Grand Tetons, officially to talk about "Financial Stability and Macroeconomic Policy."

NY Times: "Most Failing Banks Are Doing It the Old-School Way ... Banks are now losing money and going broke the old-fashioned way: They made loans that will never be repaid."

NY Times: "F.D.I.C. Seeks to Attract More Buyers of Banks ... Faced with a growing wave of bank failures, the Federal Deposit Insurance Corporation is taking extraordinary steps to attract buyers for troubled institutions to keep the fund that makes depositors whole from being drained."

LA Times: "Mortgage defaults soar to record 13% ... Widespread joblessness is causing more Americans to fall behind on their house payments, triggering a new round of foreclosures that some analysts fear could delay the nation's economic recovery."

LA Times: "Credit card issuers boost rates ahead of tougher rules ... New federal protections for credit card users go into force today, but in advance of the tougher rules, banks have been raising fees and interest rates -- hoping to ensure that one of their historically most lucrative businesses remains that way."

USA Today: "Banks trim borrowing from emergency Fed program ... Banks borrowed less over the past week from a Federal Reserve emergency lending program designed to combat the financial crisis, a sign the institutions are having an easier time getting credit from private markets."

The Washington Times: "Small banks fail in big numbers ... While attention has focused on the improving fortunes of the nation's largest banks and Wall Street firms, an increasing number of smaller banks have succumbed each week to a slow tidal wave of defaults on consumer and business loans."